Investments by Multinational Companies

4737. SHRI CHIMANBHAI MEHTA:

SHRI ANANTRAY DEV. SHANKER DAVE:

Will the PRIME MINISTER be pleased to state:

(a) whether multinational companies are prepared to make investments in India, if so, on what terms and conditions;

(b) what is the number of the multinational companies who have invested in last three years and what is the quantum of their investment;

(c) what is the amount they have repatriated;

(d) what is the employment they have generated; and

(e) whether it is a fact that China attracted 43 billion US dollar investment in last several years, if so, what are the conditions that attract foreign investments in China while they are slow to invest in India?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF INDUSTRIAL DEVELOPMENT) (SHRIMATI KRISHNA SAHI): (a) Yes, Sir. The Statement on Industrial Policy tabled in both Houses of Parliament on 24th July, 1991 spells out the terms and conditions for foreign investment in the country.

(b) Details of foreign collaboration approvals involving foreign investment during the last three years are as under:—

Calender Year	No. of F.C. approvals involving foreign investment	Total amount of foreign Investment approved
		(Rs. in crores)
1989	194	316·67
1990	194	128·32
1991	289	534.12

(c) and (d) Information on the amount repatriated by foreign companies and employment generated is not centrally maintained in the Ministry.

(e) As per recent information received, China has secured upto 1991, actual utilisation of foreign investment of more than 20 billion US dollars. Factors responsible for attracting foreign investment in China reportedly are:—

Low custom tariff, tax concessions, permitting repatriation of profits, even offering greater tax and custom concession than stipulated in the contracts, opening all sectors of economy, etc.

Various policy initiatives taken by the Government since July, 1991 have generated considerable interests among foreign investors of all countries. Total foreign investment approved in one year of the post policy period (August'91—July' 92) amounted to Rs. 1953.64 crores. This is more than one and half times the total foreign investment approved in the last decade (1981-1990).

Employment in Public Sector Undertakings

4738. SHRI CHIMANBHAI MEHTA:

SHRI ANANTRAY DEV. SHANKER DAVE:

Will the PRIME MINISTER be pleased to state: